

The background of the entire page is a complex network of glowing red lines connecting numerous white circular nodes. The nodes vary in size and brightness, creating a sense of depth and connectivity. The lines are thin and vibrant, set against a dark, almost black background.

**Scotcash**<sup>TM</sup>  
approachable finance

**2018-19**  
annual report and  
financial accounts

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# Welcome to the 12th Annual Scotcash Report

Welcome to the 12th Scotcash annual report. 2018-19 has been a significant year for us in meeting the needs of our customers, with an impressive increase in business as a result of expansion and improvements in our application processes. As we seek to advance our mission, we are proud to say that our business has continued to focus on serving those in the 20% lowest income households of the UK population, those who often are excluded from mainstream products and have little option but to turn to high cost lenders.



Our customer base has suffered as a result of welfare changes and from the continued instability of low paid employment so it is more important than ever that we ensure Scotcash services are relevant and accessible. With the support of partners, we have invested heavily in our digital infrastructure over the year to improve online access and we are confident this will prepare us for strong future growth.

As a leading financial inclusion and affordable credit provider in the UK, Scotcash is privileged to have been involved in a range of policy discussions with Ministers, policy makers and strategic stakeholders. By sharing our experiences, we hope to inform the national conversation around access to affordable credit and help shape the solutions that are needed to support those furthest away from mainstream financial services.

## HIGHLIGHTS FROM 2018/19

- Launched new Money MOT and Webchat services, and answered over 4,000 urgent financial questions online
- Invested in digital technology and launched new My Account section on the Scotcash website, where customers can securely access details of their loan
- Welcomed the BBC One Show for a return visit
- Continued our expansion across the UK
- Reduced our overall cost of delivering a loan from £313 to £195 - the lowest the company has experienced and vital for future sustainability



During 2018/19 we provided 5057 affordable loans for £2 million, ensuring a fairer deal on credit for people with limited choice in their borrowing and who are excluded from low mainstream interest rates.



2018-19 has proven to be a very strong year for Scotcash which has seen us increase the number of affordable loans by 40%, from 3587 to 5057. Much of this growth has been focused on new customers as we have expanded across the UK, a crucial element of our sustainability goals.

As our advertising campaigns, and in particular our TV presence, allow us to raise our profile across the UK, we are able to demonstrate our impact outside our traditional operating area of Scotland – 16% of our business during the year came from outside central Scotland.

This growth has resulted in a strong financial performance this year with a 39% increase in turnover at the same time as experiencing a corresponding reduction in grant income. This has helped us begin to realise our ambitions of transitioning from grant subsidy to financial sustainability but we still have significant challenges ahead.

Managing bad debt is critical during expansion and is one of the principle risks for the business. At the balance sheet date the provision represents 28% of the loan book compared to 16% at the end of March 2018. This reflects not only the higher risk associated with serving new customers, but also the worsening financial circumstances of our customers as welfare reform and austerity measures bite. It is worth noting however that almost 60% of our customers never miss a payment.

Our investment in technology will make us more productive in the coming years and has prepared us for our next iteration of growth. Webchat has been a welcome addition for our

customers and means we can respond more quickly and effectively to their enquiries. Our customers expect us to reflect the new world of 24/7 services and the investment we have made in our loan management platform ensures we continue to be relevant and forward thinking in understanding customer need.

Borrowing from Scotcash remains a value proposition for those who are excluded from mainstream financial services and our wrap around financial inclusion advice helps stabilise the financial circumstances of many. The support of government, local and central, as well as other key stakeholders is critical if we are to continue to innovate and meet the demands of consumers locked out of the best deals. This not only involves monetary aspects such as patient capital and grants for innovation, but includes continuing to build a national conversation on the economic benefits of financial inclusion and how this can contribute to inclusive growth.



“  
Our investment in technology will make us more productive in the coming years and has prepared us for our next iteration of growth.”

# Responding to customers' needs and requests by investing in digital technology and services

One of the most important things customers asked for in our 2017-18 survey was for Scotcash to offer more frequent updates about the status of their loans.

So in 2018-19 we were delighted to launch the My Account section on our website, where customers can securely access details of their loan, whenever they want to, including the outstanding balance and view all transactions.

Visitors to our site are also able to compare the cost of a loan from Scotcash (at different amounts and over a range of repayment lengths) with that of a high-interest alternative, and can now apply online. They can even upload any documents we might need to process their loan application.

Scotcash is the only personal-lending CDFI (community development finance institution) able to offer this service, which many customers and potential customers expect.

Beyond serving our customers better, this has also increased our knowledge and understanding of our potential customers (over 80% of our applications are now made online whereas in 2016 just 22% were). And it has begun to generate some economies of scale through meeting demand for affordable credit beyond Glasgow. We have been able to reduce our unit cost per loan by 33% in 2018-19, crucial for our own sustainability so we can continue to serve our customers.

Last year customers also asked us to expand our services, which led to Scotcash launching our online Money MOT and Benefits Checker services. These have been hugely valued by customers as we reveal over the next two pages.



Our wraparound services make an enormous difference to our customers' lives. Scotcash's financial and wider impact continues to be recognised by politicians and other policymakers, journalists and the media, academics and funders. As we describe later in this report, we seek recognition in order to advocate on behalf of the financially excluded. We're proud of every pound we can save them - and every way we can help make life fairer for them.

# Expanding how we support customers: Money MOT and webchat service launched

Scotcash described as “pathfinder” in sector for improving digital access to services and launching customer-focused advice.

In July 2018 Scotcash launched a Money MOT project in collaboration with the Scottish Illegal Money Lending Unit (SIMLU), part of Trading Standards Scotland, to tackle and prevent illegal money lending in Scotland.

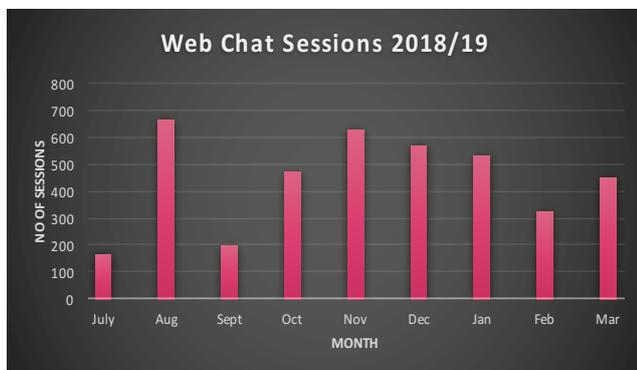
Initially a one-year project, this service has been extended and has helped thousands of people to take control of their finances without having to use illegal money lenders.

Through the project Scotcash provides a face-to-face Money MOT service for customers who may be vulnerable to illegal money lenders. The project runs from each of Scotcash’s locations across the central belt.

It also includes the provision of free online services including a free webchat service enabling customers to talk with dedicated members of staff in real time.

4021 webchat sessions took place between July 2018 and the end of March 2019, with August and November the peak months, and high volumes in December and January too. Demand was lowest in September and February.

We encouraged webchat users to tell us what they thought of the service – with many giving great feedback – and to leave a rating from 0 to 5 stars. We were thrilled that 94% of webchat users who rated the service gave it the maximum rating of 5 stars.



This project financially empowers customers, helping them to access affordable credit, money and energy advice, maximise their income, and access bank and savings accounts.

A May 2019 Evaluation of the Money MOT programme, conducted by The Improvement Service (The national improvement service for local government in Scotland), found that:

“Web chat has been well received by Scotcash’s service users. It offers a way of providing advice and support to an individual which is non-threatening and accessed on an individual’s own terms. Maintaining high standards has been key, and quality assurance was built in from start by reviewing the responses given to questions. This approach has been so successful that it continues to be available on Scotcash’s website to all service users.”

The evaluation also stated Scotcash has “acted as a pathfinder organisation in improving digital access to the services they offer and because of the funding have changed the way they operate,” adding that the learning offers benefits to other parts of the affordable credit sector and will “improve access to financial products, improve individual financial capability and ultimately contribute to reducing reliance on illegal money lenders. The potential reach of the outputs arising from Money MOT is extensive.”



# Online benefits checker

Millions of people lose out every year on key benefits they are entitled to but unaware of, such as Housing Benefit, Pension Credit, Income Support/ESA and Personal Independent Payments.

Scotcash launched a free-to-use, online benefits calculator in October 2018 to help website users and customers find out what benefits they can claim – putting more money in their pockets.

The calculator is free to use, and details provided are anonymous.

During the first month alone 78 people used the calculator and it identified £6,817.64 of benefits users were entitled to claim, based on the details they provided.

By March 2019, 281 people had used the checker and £20,663.27 of benefits had been identified.

Helping people in low-income communities to take-up the benefits they are entitled to mitigates some of the effects of poverty. It can put more money into households, making them better prepared for financial shocks.

When they do need to access credit, they will require lower loan amounts if they have more income coming in. And with lowest-income households already paying a “poverty premium” for many utilities and services, it’s crucial they receive all the income they are entitled to.

The Online Benefits Checker complements Scotcash’s supportive and accessible online services – and has contributed to an increased number of users to our website during 2018-19.



## Low-income individuals supported by Scotcash fare well in Finwell

Scotcash played a key role within one of the largest studies on fair credit ever completed in the UK.

The “Fair credit, health and wellbeing” (FinWell) project sought to investigate whether there is a relationship between the use of fair credit and health and wellbeing. It followed the financial lives of around 50 individuals in Glasgow during a six-month period – with participants including Scotcash customers.

FinWell examined the role that responsible credit plays in day-to-day financial management and looked at the connection between health and wellbeing and the financial strategies employed by the low-income population. This 2-year project, funded by the Chief Scientist Office (CSO) in the Scottish Government, was undertaken by a team of researchers from the Yunus Centre of Social Business and Health in Glasgow Caledonian University, Newcastle University and University of Sheffield and led by Professor Cam Donaldson (Yunus Chair of Social Business and Health, GCU).

The study showed how this population use complex, sophisticated, financial strategies to cope with financial uncertainty. Some of these strategies have a direct and detrimental impact on health. But fair credit, which was found to help borrowers manage cash flows in transitional periods of uncertainty (such as changes in access to social welfare) or financial shocks, fills an important gap and has a positive impact on health and wellbeing.

The research adds to the body of evidence of the importance of fair credit to low-income individuals. It describes two key reasons: “Firstly, individuals lack access to formal sources due to being ‘credit invisible’ or having bad credit histories, being unemployed and/or on informal or unstable employment. Secondly, our results indicate that there is also a lack of formal products and services in the market which suit their particular needs and circumstances.”

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## Evaluation report finds Scotcash office at ng Homes a “valuable community resource”

ng Homes provides valuable support and dedicated office space to Scotcash within their housing office in Springburn.

The latest, independent evaluation of our relationship with ng Homes covers the three-year period of January 2016 - December 2018. It describes the continued presence of the Scotcash office at ng Homes as “a valuable community resource.”

The report also notes that although (i) Scotcash has expanded its reach, (ii) there has been a “dramatic” shift to more online applications and (iii) a significant increase in loan volumes, it has not “changed values in terms of who they look to lend money to - the demographic of borrowers is as consistent now as it was when they opened in 2007 or when they opened the ng Homes branch in 2011.” The report noted that Scotcash sees 8x the national average of lone parents and stresses this is a remarkable achievement with significant benefits in addressing child poverty.

It demonstrated how our services are highly valued by borrowers and emphasised the success of the continued presence of Scotcash at ng Homes, helping customers shift away from higher cost, sometimes predatory alternatives.



# Glasgow Caledonian University data and credit analysis

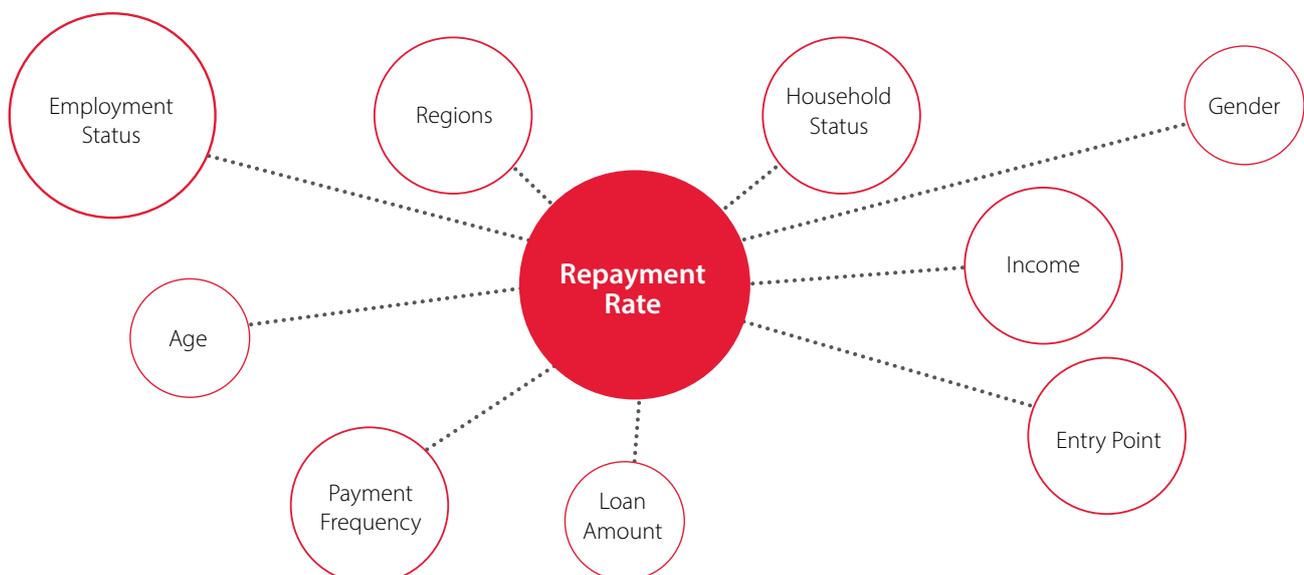
An effective student placement benefits host organisation and student, as Scotcash discovered when we hosted Adeeb Bakhsh of Glasgow Caledonian University in Spring 2019.

Adeeb needed to carry out “applied professional practice” - in essence, activity to develop his professional knowledge and skills - as part of his MSc in Social Business and Microfinance.

For his placement with Scotcash, Adeeb carried out a data and credit analysis covering Scotcash lending between April and December 2018. In this time period we had expanded our reach to customers in the rest of the UK as well as Scotland (although 86% of Scotcash loans within the timeframe covered were made within Central Scotland).

Adeeb’s analysis tested correlations between a number of variables including customers’ ages, location and employment status; and the repayment status of their accounts. His final report to Scotcash showed statistically significant differences in repayment status from some, but not all variables.

This type of number-crunching gives Scotcash valuable evidence which can inform and illuminate strategic decisions. We’re grateful to Adeeb for his interest in Scotcash’s impact and wish him well in his new role in Dubai where he’s hoping to use his knowledge of microfinance to benefit the many financially excluded people who don’t have access to bank accounts and services.



# Edinburgh Poverty Commission Interim findings

80,000 people in Edinburgh live in poverty, including almost one in four of all children, and there is a life expectancy gap of over 21 years between some affluent and less affluent areas of the city.

With a remit to define the steps we all need to take to end poverty in Edinburgh, the Edinburgh Poverty Commission was launched in November 2018. It has convened meetings; organised meetings to hear from community groups, citizen groups, public and third sector organisations, and other stakeholders; launched 3 public calls for evidence; and published an early summary of its Emerging Findings in May 2019, and an interim report in September 2019.

The first of 4 phases of the Commission's work covered topics including benefits, low pay, debt and credit, and access to advice and information.

Scotcash has contributed to The Commission's programme of inquiry. The Commission's interim findings describe the "frustration felt by people working hard to hold down a job that pays barely enough to keep their family surviving, and never enough to prosper on."

One of the key actions which should be taken to solve poverty in Edinburgh is to maximise incomes, according to the interim findings, which note how Edinburgh citizens are missing out on estimated £80m of unclaimed DWP benefits every year.

We have continued to contribute to the inquiry. Edinburgh Poverty Commission is due to publish its draft final recommendations for public consultation and feedback in January 2020, and will launch its final recommendations in March 2020.

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## Tackling Problem Debt Group informs debt advice recommendations

The Improvement Service's preliminary report into how the Scottish Government can deliver levy-funded debt advice drew on the recommendations of the Tackling Problem Debt Group.

Scotcash, along with Citizens Advice Scotland, Stepchange, Money and Pensions Service, Money Advice Scotland and the Scottish Legal Aid Board, contributed to The Improvement Service's consultation – as did sixty debt advice service users. Our work within the Tackling Problem Debt Group has also contributed to the recommendations.

The preliminary report recommends increasing "channel choice" to access debt advice, including through online and digital channels, stating:

"Several organisations providing advice services in both the statutory and voluntary sectors have used new technology to improve access to the services they offer by providing multi-channel approaches. Recent research by the Improvement

Service suggests that individuals prefer to use a variety of methods or channels to access advice depending on the nature of their issue and the stage it has reached. Digital use has increased at population level but the debt advice sector has not always kept pace. Whilst recognising the need for face to face service provision when required, both service providers and users who were consulted commented that increasing channel choice was likely to improve access for service users and also reduce the stigma associated with being seen to require money or debt advice."

Both reports provide further evidence of the importance of services such as Scotcash's Online Benefit Checking and Money MOT tools.

# Money Advice Scotland

Scotcash showcases how to address financial and digital inclusion with unique integrated service model.

Debt advisers quizzed Scotcash CEO Sharon MacPherson about our unique model in a workshop at Money Advice Scotland's conference in July 2018. Sharon was invited to run the workshop to showcase how our affordable credit and financial advice services integrate.

The workshop helped delegates to understand the variety of touchpoints between our different, complementary services, and how they intersect. It gave delegates new insights into the relationships between financial inclusion and digital inclusion too, as Sharon shared details of Scotcash's approach to help address challenges.

"The workshop helped advisers understand the value of a more in-depth, customer focused referral network," said Sharon, "and how it can help them to give even greater support to their customers."

Yvonne MacDermid, chief executive of Money Advice Scotland, said "The Scotcash business model is one which really works for everyone, and I would like to see it replicated across the country. It serves to address people's needs in an holistic way, and that's what is required, as people need that level of support to fully engage with financial services, as (possibly) never before."



## Farewell but never forgotten: huge thanks to Glasgow Central CAB

Since Scotcash launched in 2007 we have worked with Glasgow Central Citizens Advice Bureau. Their advisers have worked from our Glasgow High Street office as the backbone of our financial inclusion advice service.

They've done a fantastic job, helping thousands of Scotcash customers. The changing nature of how we deliver our services in response to customers' needs and expectations mean more and more customers are now accessing financial advice through our online services, which we've covered on pages 5-7 of this report.

So in July 2018 Scotcash employed our own financial inclusion adviser, Kevin. Since then we no longer host CAB staff and volunteers – though we continue to enjoy a positive and mutually supportive working relationship.

Sharon MacPherson, Scotcash CEO, said, "We want to thank Glasgow Central CAB and their advisers for the superb work they have done over more than a decade. Their advisers have always had customers' needs at the heart of everything they have done. The Scotcash team continue to value an excellent, but different, relationship with Glasgow Central CAB and their advisers."

Vincent Chudy of Glasgow Central CAB said: "It has been a pleasure to support and work in partnership with Scotcash over the last 12 years"



# When Eileen met Gillian and Kevin: Customer Case Study

After visiting Scotcash, Eileen Kennedy's financial situation has dramatically improved and she can access important support she was previously unaware of.

55-year-old Eileen, a recovering alcoholic, had faced personal challenges but managed to stabilise her life thanks to ongoing support from Drink Wise. When Drink Wise recommended moving to a new home would help her recovery, they also encouraged her to contact Scotcash.

Eileen's housing association was supportive and keen to help her, but she needed a small loan to allow her to make improvements to her old house before she could move to a new home. After calling Scotcash for an appointment, Eileen applied in branch at our Glasgow office and met with Gillian, our Loan Officer – who approved a small loan of £250 and introduced Eileen to Kevin, our in-house Financial Inclusion Officer.

Kevin was able to meet with Eileen immediately after her loan application appointment in our Glasgow office and identified a number of key benefits which Eileen was eligible for. He also explained how – as a result of her vulnerabilities – she could access assistance through the Scottish Welfare Fund and from Glasgow City Council for a Discretionary Housing Payment (DHP) to help with one month's rental advance.

In the meantime due to her ongoing health issues, a claim for Personal Independence Payment was submitted by Kevin – she was unaware that she should have been claiming these benefits or of the other support Kevin had identified.

Eileen is financially much better off after coming to Scotcash – and now aware of the support that is available to help her to improve her quality of life and meet the costs of her serious medical condition.

Reducing Eileen's financial stress will directly and positively impact on her ability to deal with her medical condition, improving the quality of her life and helping her cope physically and mentally on a day to day basis. Scotcash will continue to support Eileen in her transition to her new home by providing on-going advice on her financial situation.



Eileen said that had she not come to Scotcash she would still be unaware of what support was available to her and although she felt apprehensive about attending her appointment, she was made to feel at ease. Eileen rated her experience of Scotcash as "very, very good" and said "I would have no qualms recommending Scotcash to anyone, definitely go as they all try to help out".

# Scotcash Facts & Figures 2018/19

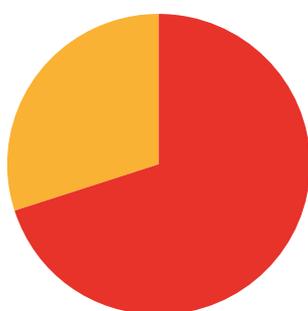
## SCOTCASH AT A GLANCE FOR 2018/19

		Increase on 2017-2018	Overall Accrued Totals
Loans Written	5057	41%	26,821
Value of loans advanced	£2,054,702	27%	£12.7m
Interest saved for customers on like for like loans	£1.1m	29%	£6.1m

## CUSTOMER PROFILES:

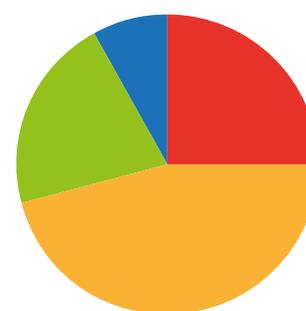
### Gender

- 70% - female
- 30% - male



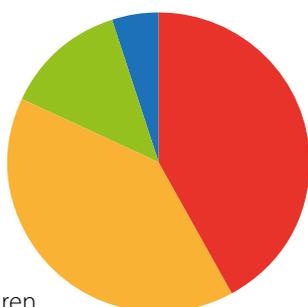
### Age

- 25% - 19-29 years
- 46% - 30-45 years
- 21% - 46-60 years
- 8% - 60+ years



### Household Status:

- 42% - Lone Parent with children
- 40% - Single Adult
- 13% - Couple with children
- 5% - Couple with no children



### Where customers told us they heard about Scotcash:

The three channels mentioned most frequently by customers were:

- Internet
- Existing Customer
- Word of mouth

Whenever we ran TV ads or were featured in the media, we experienced a measurable spike in visits to the Scotcash website. Customers who then applied to us may well have mentioned the website as the channel through which they learned about Scotcash, although a TV ad, programme or article might have been the trigger which brought them there.

## HELPING CUSTOMERS SAVE:

	Figures from April 2018 – March 2019	Overall Accrued Totals
Bank Accounts Opened	153	2786
Savings Accounts Opened	80	945
Money Advice Cases	150	5981
Help with Fuel Advice	73	1122
Financial Gains Made	£167,942	£6.2m

### Affordable loans by region

Over the course of 2018-19 the proportion of loans advanced outside of Scotland increased from less than 10% to over 20%. We experienced a spike in loans advanced in the West Midlands in August when we ran a regional advertising campaign there.

# Spotlight on Staff Member Yaa Nipah, Finance Assistant

## Spotlight on Staff Member **Yaa Nipah**, Finance Assistant

- **Yaa joined Scotcash in October 2017 and works in our head office every day from 9:30am to 1pm. What does a typical day involve?**

The first thing I do every day is to make sure new loans have been paid out to customers. Then I'll update Sage (our accounting software) with financial information, ensure any invoices to Scotcash have been paid, cross check our bank statements with our accounting records, and ensure our managers can access correct and up to date information.

- **What gives you most satisfaction and enjoyment in your role?**

I know that even though we are in the back office we are contributing to making people's lives easier. Scotcash is a nice place to work and everyone here is really friendly. I knew when I joined that it was a community based organisation and I love seeing how we help people avoid expensive loan sharks.

- **How has Scotcash changed in the past year?**

All of Scotcash's new digital improvements have made things even better for our customers. Now they can apply online and can check their accounts through the website whenever they want to, to find out how much they have left to repay immediately rather than having to phone us in office hours. Of course, the digital developments have made parts of our work easier too: we used to have to import a lot of information manually and now it's done automatically.

- **What do you enjoy outside of work?**

Watching documentaries, reading – especially books about history – and spending time with my two boys, aged 11 and 8. As an employer, Scotcash was unique – they understood my situation and offered me this job with hours which suit me.



- **What do you like most about living in Glasgow?**

We came to Glasgow from Ghana in 2014 because my husband is reading his PhD at Strathclyde University. We love the culture of Scotland. People in Glasgow are friendly and welcoming, my kids love their school and are attached to the city and there's a lot of diversity here, it's a great place to live.

There's a huge Ghanaian community in Glasgow too, with parties and get-togethers: we've met a great network of Glaswegians and Ghanians.

- **Looking to the year ahead, what are you most excited about?**

I'm hoping to visit my parents and siblings in Ghana – we last visited two years ago, and whenever you go home you can reconnect with your childhood.

Scotcash has a bright future. Because customers can now apply online and we have automated some processes, we have been able to increase the volume of loans we provide and can help even more people.

## Staff Appointments and Leavers

As Scotcash continues to develop, so do our people, and 2018-19 saw us welcome new staff and wish others well as they moved to new opportunities.

### Leavers:

we bid a fond farewell to Eden Morrison, Stephen Sweeney and Eilidh Beattie. All are missed but of course we wish them the very best in their new roles.

### Appointments:

Gillian Coats joined Scotcash as a Loan Officer in our Glasgow branch in September and is a great addition to the team, bringing a wealth of experience in underwriting.

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## More visits from politicians and journalists and a third trophy for the cabinet

When policymakers or the media come knocking, Scotcash advocates on behalf of financially excluded people, and takes every possible opportunity to showcase the importance of access to affordable credit and supportive money advice.

- Green Party MSP Alison Johnstone visited our Edinburgh office in April 2018 to discuss financial inequalities and exclusions in Scotland with Scotcash CEO Sharon MacPherson and Deputy CEO Susan McClelland.
- The UK's Economic Secretary to the Treasury, John Glen MP, visited in [MONTH] 2018 and described the "constructive way that the 1st Class Credit Union and Sharon MacPherson of Scotcash are working with the poorest to help them when they are in difficulty," during oral answers to Parliamentary questions about tackling problem debt.
- A camera crew from the BBC's The One Show made a return visit to our Glasgow office in December 2018 to meet customers and staff. Their December 2018 programme followed-up on their previous coverage of the impact we make in helping customers manage their money and escape cycles of debt.
- After scooping Awards in two categories (Small Business Responsible Lender of the Year and Alternative Lender of the Year) in May 2018's Credit Awards, Scotcash went on to be named Alternative Lender of the Year at the October 2018 UK Credit Excellence Awards. This award recognised the difference our wraparound services give to customers. It was further validation of the great work of the Scotcash team – and made everyone proud!

# Independent auditors' report to the members of Scotcash CIC

## Opinion

We have audited the financial statements of Scotcash CIC (the 'company') for the year ended 31 March 2019 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to

our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

## Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Jenny Simpson (Senior Statutory Auditor)**  
for and on behalf of Wylie & Bisset LLP  
21 August 2019

Chartered Accountants Statutory Auditor  
168 Bath Street Glasgow, G2 4TP

# BALANCE SHEET

## Statement of total comprehensive income for the year ended 31 March 2019

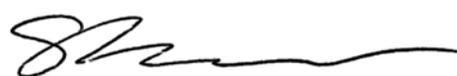
	Notes	2019 £	2018 £
<b>Turnover</b>	4	785,654	564,517
Administrative expenses		(1,393,769)	(1,112,047)
Other operating income		529,108	678,661
<b>Operating (loss)/profit</b>	3	<b>(79,007)</b>	<b>131,131</b>
Interest receivable and similar income	5	922	191
<b>(Loss)/profit before taxation</b>		<b>(78,085)</b>	<b>131,322</b>
Taxation	6	10,925	(13,651)
<b>Total comprehensive (expenditure)/income for the year</b>		<b>(67,160)</b>	<b>117,671</b>

The statement of total comprehensive income has been prepared on the basis that all operations are continuing operations.

## Balance Sheet at 31 March 2019

	Notes	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Tangible assets	7		<b>123,457</b>		104,647
<b>Current assets</b>					
Debtors	8	<b>1,112,503</b>		1,047,029	
Cash at bank and in hand		<b>825,441</b>		1,067,844	
<b>Creditors: amounts falling due within one year</b>	9	<b>1,937,944</b>		2,114,873	
		<b>(149,236)</b>		<b>(229,270)</b>	
<b>Net current assets</b>			<b>1,788,708</b>		1,885,603
<b>Total assets less current liabilities</b>			<b>1,912,165</b>		1,990,250
<b>Provision for liabilities</b>	11		<b>(2,690)</b>		(13,615)
			<b>1,909,475</b>		1,976,635
<b>Capital and reserves</b>					
Profit and loss account			<b>1,909,475</b>		1,976,635

These financial statements have been prepared in accordance with the provisions applicable to the companies subject to small companies' regime. The financial statements were approved and signed by the directors and authorised for issue on 21 August 2019.



**Steven Henderson**  
Director



**Morag Johnstone**  
Director

Registered number SC309656

## COMPANY INFORMATION AND ACKNOWLEDGEMENTS

**Directors:** Steven Henderson CHAIR  
Hugh Kelly  
Elaine Galletly  
Morag Johnston  
Megan Peat  
Ian Sillars  
Robert Tamburrini  
Ann Marie Devlin

**Auditors:** Wylie Bisset LLP,  
168 Bath Street,  
Glasgow,  
G2 4TP

**Bankers:** Royal Bank of Scotland plc,  
10 Gordon Street,  
Glasgow,  
G1 3PL

**Secretary:** Burness Paul LLP

**Solicitors:** Burness Paul & Williamsons LLP  
120 Bothwell Street,  
Glasgow

**Registered Office:** 55 High Street,  
Glasgow,  
G1 1LX

The board, management and staff thanks the following people and organisations for their support and assistance over the past year.

CGI	Glasgow Housing Association	Scotwest Credit Union
Affordable Lending Limited	Glasgow Caledonian University	The Oak Foundation
Bank of Scotland	Henderson Loggie	The Spark
Barclays	Home Energy Scotland	Virgin Money
Royal Bank of Scotland	i.s.4	Virgin Money Foundation
Burness Paull LLP	Improvement Service	Welcom Digital
Carnegie Trust UK	Inverclyde Council	Wylie & Bisset
City Building	Jamie Veitch Consulting	Experian
City Property	Pollok Credit Union	INCUTO
Entitled To	ng Homes	Glasgow City Council
Edinburgh City Council	Joseph Rowntree Foundation	Glasgow Credit Union
Scottish Government	G-Heat	Screenmedia
Money Advice Scotland	Money and Pensions Service	Glasgow City Council
Glasgow Central CAB	Inbest.ai	GAIN
DSL	One Parent Families Scotland	Responsible Finance
Renfrewshire ACA	Trading Standards Scotland	StepChange Debt Charity





**Scotcash**  
approachable finance

How to contact us:

Scotcash  
55 High Street  
GLASGOW  
G1 1LX  
Tel: 0141 276 0525

Visit: [www.scotcash.net](http://www.scotcash.net)